Introduction of Venture Capital Finance by SIDBI

789. SHRIMATI PRATIBHA SINGH:
SHRI ASHOK NATH VERMA:

Will the MINISTER OF FINANCE be pleased to state:

(a) whether it is a fact that the Small Industrial Development Bank of India has started directly or otherwise, venture capital finance to help entrepreneurs where conventional financial institutions/agencies cannot reach; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Small Industries Development Bank of India (SIDBI) has reported that it has not started any such scheme for Venture Capital finance so far.

(b) Does not arise.

Creation of Venture Capital Fund by IDBI

790. SHRI ASHOK NATH VERMA: Will the MINISTER OF FINANCE be pleased to state:

(a) whether it is a fact that Industrial Development Bank of India has created/built venture capital fund for funding innovative projects;

(b) if so, what are the details thereof; and

(c) what are the names and addresses of the organisations that are offering financial assistance under its venture capital schemes, facilities, incentives and assistance offered to make venture capital scheme programme a success?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Yes, Sir. The Industrial Development Bank of India (IDBI) is operating a Venture Capital Fund (VCF) Scheme to finance innovative projects since 1987.

(b) Under the Scheme, assistance is offered on concessional terms with 9% p.a. interest during the period of development of technology and the interest rate is stepped upto 18% p.a. after successful development. In addition, royalty on sales of products arising out of the venture is payable during the currency of loan. Funding is to the extent of 87.5% for projects costing upto Rs. 50 lakh and 80% for others.

(c) The other organisations offering venture capital schemes including the following:

Technology Development & Information Company of India Ltd.
Leo Complex, Vth Floor,
44 & 45 Residency (cross) Road,
BANGALORE-560 025.

Risk Capital and Technology Finance Corporation Ltd.
Scope Complex, 3rd Floor, Core V, 7, Lodhi Road,
NEW DELHI-110 003.

Gujarat Venture Finance Ltd.
2nd National Chambers, Ashram Road,
AHMEDABAD-380 009.

APIDC-Venture Capital Ltd.
'Parisrama Bhavanam' 5-9-58/3, Fateh Maidan Road,
HYDERABAD-500 029.

Canbank Financial Services Ltd.
'Kareem Towers, 19/5 and 19/6, Cunningham Road,
BANGALORE-560 052.

Credit Capital Venture Fund (India) Ltd.
62 Basant Lok, Vasant Vihar,
NEW DELHI-110 057.

20th Century Venture Capital Fund,
25 Maher Chamber-III,
Nariman Point, BOMBAY.

ANZ Grindlays Bank,
H Block, Connaught Circus,
NEW DELHI-110 001.